

Prospects for Guangdong Province's Emissions Trading System

Research Workshop Co-Hosted by:

Guangdong Research Center for Climate Change (GDRCCC)

Harvard Project on Climate Agreements

With the Support of Energy Foundation China

Wednesday – Thursday, June 16 – 17, 2021

7:30 – 10:30 am U.S. EDT; 7:30 – 10:30 pm CST

Background and Motivation

Climate change is a global commons problem and, as such, requires cooperation at the highest jurisdictional level – that is, international cooperation among national governments – if it is to be adequately addressed. However, national governments acting independently, as well as subnational governments, can also significantly advance efforts to mitigate climate change. Provinces and municipalities around the world have undertaken initiatives – sometimes working together across national boundaries – to reduce greenhouse-gas emissions. This includes jurisdictions in some of the key countries and regions, such as China, the United States, India, the European Union, and Canada.

China's eight pilot emissions-trading systems (ETSs) – including Fujian Province's – constitute one major set of subnational initiatives to address climate change. The largest of the pilots is Guangdong's. Indeed, the Guangdong ETS is the third largest in the world – after the European Union's and South Korea's, and ahead of California's – if the size of the system is measured by the quantity of emissions covered by the system. Of course, coverage is not the only important characteristic of an ETS; others include the type of target, the stringency of the target, the absolute amount of emissions reduction actually achieved, and degree of compliance by regulated entities. However, Guangdong's system is clearly important in the global effort to address climate change, and lessons from the provincial system are likely to be useful in other jurisdictions – within China and globally.

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Agenda

Times below are China Standard Time (as “pm”) and U.S. Eastern Daylight Time (as “am”).

Day 1

Wednesday, June 16, 2021

- 7:10 – 7:30 Zoom orientation, including instruction on simultaneous interpretation; please join as soon as possible after 7:10 – and in any case by 7:15. **Required** of all participants, even those experienced with Zoom.
- 7:30 – 7:45 Welcome and Overview of the Workshop
- Zeng Xuelan
Director, Guangdong Research Center for Climate Change
- Robert Stavins
Director, Harvard Project on Climate Agreements
- Zou Ji
President, Energy Foundation China
- 7:45 – 8:00 Self Introductions of Participants
- 8:00 – 8:20 “Lessons Learned from Subnational Emissions-Trading Systems”
- Robert Stavins
- 8:20 – 8:50 Discussion
- 8:50 – 9:05 Break
- 9:05 – 9:25 “Status Update on Guangdong Province’s ETS”
- Zeng Xuelan
- 9:25 – 9:45 “Interaction and Coordination Between China’s National ETS and Guangdong’s ETS”
- Duan Maosheng
Professor and Director, China Carbon Market Center, Tsinghua University
- 9:45 – 10:20 Discussion
- 10:20 – 10:30 Closing Comments

Day 2

Thursday, June 17, 2021

- 7:30 – 7:40 Welcome
Zeng Xuelan
Robert Stavins
Zou Ji
- 7:40 – 8:00 Design Topic 1: “Allowance Allocation and MRV Mechanism”
Li Weichi
Deputy Director, Department of Carbon Market
Guangdong Research Center for Climate Change
- 8:00 – 8:20 Design Topic 2: “Trading, Carbon Finance, and Price Trajectory”
Meng Meng
CEO, Guangzhou Emissions Exchange
- 8:20 – 8:50 Discussion
- 8:50 – 9:05 Break
- 9:05 – 9:25 Design Topic 3: “Offsetting Mechanism”
Yang Shu
Senior Engineer, China Quality Certification Centre, Canton Branch
- 9:25 – 10:05 Discussion
- 10:05 – 10:15 Next Steps; Close